

**NORTH CAROLINA
DURHAM COUNTY**

**DEVELOPMENT
AGREEMENT**

THIS DEVELOPMENT AGREEMENT (“Agreement”) is entered into as of the ____ day of _____, 2010, between the City of Durham, North Carolina (“City”) and _____ (“Developer”), a non-profit corporation organized and existing in the City of Durham under the laws of the State of North Carolina.

BACKGROUND. The City has received an award of Neighborhood Stabilization Program (NSP) funds as authorized under Division B, Title III of the Housing and Economic Recovery Act (HERA) of 2008. The City has entered into an Agreement with _____ to act on the City’s behalf as “Acquisition Agent,” using NSP funds to acquire properties located in _____. The properties acquired by the Acquisition Agent will conform to the requirements of the NSP funding program. The City desires to have the acquired properties conveyed to qualified, pre-approved developers for the development of affordable housing. Any qualified developer who desires to acquire one or more of these properties, will submit a proposal to the “Allocation Committee”, which will review the proposals and make a recommendation to the Director of Community Development (DCD) as to which developer should be awarded the property. The DCD will make the final determination on property disposition. After the property has been deeded to the developer, the Developer will build or cause to be built a new building, or fully rehabilitate the Property so that it will be affordable to households whose income does not exceed 120% of the Area Median Income (AMI), as determined by HUD.

THEREFORE, in consideration of the mutual promises herein exchanged by and between the parties, it is agreed as follows:

SECTION 1. RESPONSIBILITIES OF THE DEVELOPER

- (a) All property acquired with NSP funds and thereafter deeded to the Developer for rehabilitation or new construction (the “Property”) shall be subject to the terms of this Agreement.
- (b) All new construction or rehabilitation of existing structures must be started within 60 days and completed within 12 months of conveyance of Property from Acquisition Agent to Developer. Failure to start or complete construction in accordance with this requirement will result in the City taking back the Property to resell, or the City may complete construction itself. Should the Developer fail to deed the Property to the City after written demand, the Developer shall be responsible for all costs incurred by the City in enforcing this Agreement, including attorneys fees, court costs, and reimbursement for staff time spent in enforcement efforts.
- (c) New construction minimum design standards are set forth in Attachment C, which is incorporated herein by reference and made a part of this Agreement.

- (d) All new construction must be built to System Vision standards and achievement of these standards shall be certified by Advanced Energy, with a copy of such certification provided to the DCD.
- (e) Rehabilitations must be reconstructed to Energy Star rating and certified, with a copy of such certification provided to the DCD, unless developer requests and is granted a waiver of this requirement..
- (f) Developer must refer all potential purchasers to City of Durham (DCD) to be qualified for purchase.
- (g) Properties must be sold to purchasers at or below cost (including acquisition, construction costs and soft costs necessary for the renovation or creation of new housing).
- (h) Properties may be sold or rented to individuals or families whose income does not exceed 120% of AMI.
- (i) Developer may include a maximum 15% developer fee in the sale price, in addition to those costs specified in subsection (f).
- (j) Developer shall comply with reporting requirements specified by CDBG regulations, and in addition, the City has the discretion to require reasonable reporting on a monthly basis.

SECTION 2. RESPONSIBILITIES OF THE CITY

- (a) The City shall monitor the Developer to ensure that it is completing the activities described herein in a timely manner and in accordance with applicable NSP regulations and this Agreement.

SECTION 3. RECORDS, REPORTS AND INSPECTIONS.

Before and during construction, the Developer shall allow the City to inspect and copy all documents pertaining to the acquisition and development of the Property and the fulfillment of this Agreement at any reasonable time during regular business hours.

After completion of construction or rehabilitation, the Developer shall submit a statement, along with contractors' lien waivers or other records to supply evidence that all costs associated with rehabilitation or construction on the Property have been paid. The Developer shall provide the City with such certification no later than thirty (30) days following the completion of construction or rehabilitation, with completion judged from the date a certificate of occupancy is issued, or the final draw request date.. In the event that such certification is not delivered to the City within the above-described time period, such failure shall be considered an event of default under this Agreement.

SECTION 4. ASSIGNMENT OF AGREEMENT.

The Developer shall not assign any interest in this Agreement without prior written consent of the DCD.

SECTION 5. COVENANTS TO RUN WITH THE LAND.

The covenants, reservations and restrictions set forth herein, along with certain restrictions regarding affordability of any housing constructed on the Property, shall be incorporated into Attachment B, entitled, "Declaration of Restrictive Covenants", which shall be recorded, and shall constitute covenants running with the land and any existing or future improvements on the Property, and shall pass to and be binding upon the Developer's heirs, assigns and successors in title to the Property; provided, however, that upon the termination of this Agreement in accordance with the terms hereof, said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument. If a portion or portions of the Property are conveyed, all of such covenants, reservations and restrictions shall run to each portion of the Property so conveyed.

SECTION 6. CONFLICT OF INTEREST.

The Developer shall permit no officer or employee of the Developer, no member of the City's governing body and no other public official of the governing body of the Durham area to exercise any functions or responsibilities in the review or approval of the undertaking or carrying out of this project to:

- (a) Participate in any discussion relating to this Agreement if it affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested; or
- (b) Have any interest, direct or indirect, in this Agreement or the proceeds thereof.

The Developer covenants that it presently has no interest in, and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required to be performed under this Agreement. The Developer further covenants that no person having any such interest shall be employed in the performance of this Agreement.

SECTION 7. INSURANCE.

The Developer shall acquire the following types of insurance before starting construction on Property:

(a) Builder's Risk Insurance, in an amount at least equal to the Developer contribution, such insurance to be in such amount and form and by such companies as shall be approved by the City, the originals of which policies (together with appropriate endorsements, thereto, evidence of payment of premiums thereon and written agreement by insurer or insurers therein to give the City thirty (30) days' prior written notice of intention to cancel) shall be delivered promptly to the City; said insurance coverage to be kept in full force and effect at all times until the Developer has made the full Developer Contribution to the Replacement Park.

(b) General Liability and Worker's Compensation Insurance for the Developer's General Contractor. Developer shall provide a certificate from an insurance company indicating such coverage to the satisfaction of the City's Risk Manager. The City of Durham must be named as additional insured on the liability policy. The certificate and the endorsement providing additional insured coverage must be originals. All insurance must be provided by companies with a Best rating of A or better and companies authorized to do business in North Carolina.

(d) Title Insurance: N/A

(e) Flood Insurance: N/A

SECTION 8. POLITICAL ACTIVITY.

The Developer shall not permit any of the materials, property or services provided under this Agreement to be used for any partisan political activity, or to further the election or defeat of any candidate for public office, or for publicity or propaganda purposes designed to support or defeat legislation pending before the United States Congress, State of North Carolina, County of Durham or the City of Durham.

SECTION 9. EVENTS OF DEFAULT.

The occurrence of any of the following events and the failure of the Developer to cure or correct such event to the City's satisfaction within the applicable notice or grace periods, if any, shall from and after the expiration of the relevant notice or grace period, if any, constitute an Event of Default under the terms of this Agreement:

(a) Inaccurate Representations: The invalidity or material inaccuracy of any warranty, representation or opinion in this Agreement, or the breach, withdrawal, cancellation, rescission, termination or alteration of any agreement, approval, opinion or waiver submitted to the City and related to the Property, or

the failure of Developer to advise the City of any material act or information of which it has knowledge, with regard to the Property, or otherwise;

(b) Breach of Covenant: The breach by the Developer of any covenant or agreement contained in this Agreement, if such breach is not corrected within a grace period reasonably established by the City.

(c) Injunction: The issuance of an order or decree in any court of competent jurisdiction restraining, enjoining or prohibiting construction on the Property or restraining, enjoining or prohibiting Developer or the City from performing this Agreement, when the order continues in effect unstayed for a period of thirty (30) days.

(d) Insurance Policies: The Developer neglects, fails or refuses to obtain and to keep in full force and effect any insurance policies required by the City or any governmental permit or approval with respect to the construction on the Property and fails to restore such insurance or such approval or permit within ten (10) days after notice from the City.

(e) Lawsuits: Any suit or administrative action shall be filed against the Developer or any person or entity that is an equity owner (either directly or indirectly) of the Developer which, if adversely determined, could substantially impair the ability of the Developer to perform any of its or his within sixty (60) days.

(f) Bankruptcy etc.: The Developer shall (a) apply for or consent to the appointment of a receiver, trustee or liquidator of the Developer or any of the Property, (b) file a voluntary petition in bankruptcy or admit in writing the Developer's inability to pay its debts as they become due, (c) make a general assignment for the benefit of creditors (d) file a petition or answer seeking reorganization or rearrangement with creditors who are taking advantage of any insolvency law, (e) file an answer admitting the material allegations of a petition filed against the Developer or such similar proceeding, or (f) be the subject of order, judgment or decree entered by any court of competent jurisdiction, or by any other duly authorized authority, on application of a creditor or otherwise, adjudicating the Developer as bankrupt or involvement or approving a petition seeking reorganization of the Developer or appointing a receiver, trustee or liquidator of any of the Property, if such order, judgment or decree shall continue unstayed and in effect for any period of sixty (60) consecutive days. No additional notice shall be applicable to matters under this section.

(g) Dissolution, etc. of Developer: The Developer shall be dissolved, wound up, liquidated or otherwise terminated, or a party to any merger or consolidation without the written consent of the City. Termination shall include the failure of the Developer to hold an annual meeting with appropriate minutes

taken, or to otherwise fail to carry out its fundamental organizational duties. No notice or opportunity to cure shall be required for a default under this Section.

(h) Transfer of Property or Interest in Developer: If any interest in the Property is transferred or disposed of in any manner that would violate this Agreement, including transfer of the Property to any but an eligible buyer unless the written approval of the DCD is obtained.

SECTION 10. PROHIBITION AGAINST SOLICITING AND ACCEPTING FAVORS AND PROCUREMENT.

Officials and employees of the Developer shall neither solicit nor accept gratuities, favors or anything of monetary value from subcontractors or potential subcontractors. The Developer further agrees that all procurement transactions which the Developer may enter into as a result of this Agreement shall be conducted in a manner so as to provide maximum, open and free competition

SECTION 11. EMPLOYMENT OPPORTUNITIES FOR SMALL BUSINESS AND LOWER INCOME PERSONS.

The Developer will take affirmative steps to assure that the small businesses and lower income persons of the project area (defined as the City of Durham) are utilized whenever possible as sources of supplies, equipment, construction and services.

SECTION 12. EQUAL BUSINESS (EBO) OPPORTUNITY ORDINANCE.

The Developer shall comply with all applicable provisions of Chapter 26 of the Durham City Code (the Equal Business Opportunity ordinance), as amended from time to time. It shall be the policy of the Developer to provide minorities and women equal opportunity to participate in all aspects of the Developer's contracting programs, including but not limited to employment, construction projects, and/or materials and services contracts, consistent with the law. It shall also be the policy of the Developer to prohibit discrimination against any business on the basis of race, color, national origin, religion, sex, age, handicap or veteran's status. The Developer shall conduct its contracting program so as to prevent such discrimination, correct present effects of past discrimination and to resolve claims of such discrimination.

The failure of the Developer to comply with Chapter 26 shall be a material breach of agreement, which may result in the rescission or termination of this agreement and/or other appropriate remedies in accordance with the provisions of that chapter, this Agreement, and State law. The final version of all SDBE documents and information submitted by the Contractor and approved by the City are a legal and binding part of this Agreement.

SECTION 13. TERMINATION OF AGREEMENT.

Termination of this agreement shall occur at the earlier of:

(a) The expiration without cure of any grace period following notice to Developer by the City of an Event of Default as described in Section 9, Events of Default. Termination under this subsection 16(c) shall be accomplished by the City's giving written notice to the Developer.

SECTION 14. INDEMNIFICATION.

To the fullest extent permitted by law, the Developer releases the City from, agrees that the City shall not be liable for and agrees to hold the City and its officers, employees and agents harmless against: (a) any and all claims by or on behalf of any person arising in any manner whatsoever from or out of (1) any condition of the Property, (2) the construction, reconstruction, improvement, use, occupancy, conduct or management of or in any work or anything whatsoever done in or about the Property, (3) any accident, injury or damage occurring in or about the Property, (4) any breach or default by the Developer of or in any of its obligations hereunder, (5) any environmental contamination of the Property where such liability arises under any applicable federal, state or local statute, rule, or ordinance including, but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or (6) any act or omission of the Developer or any of its agents, contractors, servants, employees or licensees; and (b) any and all costs, counsel fees, expenses, liabilities, obligations, losses or damages incurred in connection with any such claim or any action or proceeding brought thereon. In case any action or proceeding which is brought against the City or any such officer, employee or agent by reason of any such claim, the Developer, upon notice from the affected party, shall resist or defend such action or proceeding. Subject to the foregoing, the City shall cooperate and join with the Developer at the expense of the Developer as may be reasonably required in connection with any action taken or defended by the Developer. In the event of a conflict between the provisions of this section and any other section of this Agreement, this section shall be deemed to be controlling.

SECTION 15. CITY DISCRIMINATION POLICY.

The City of Durham opposes discrimination on the basis of race and sex and urges all of its contractors to provide a fair opportunity for minorities and women to participate in their work force and as subcontractors and vendors under City contract.

SECTION 16. SOLE AGREEMENT.

This document and the attachments incorporated herein contain the entire agreement between the parties with respect to the subject matter of this Agreement and no statement, promises or inducements made by either party, or representative of either party with respect to the subject matter of this Agreement, that is not contained in this written Agreement, shall be valid and binding. This Agreement may not be enlarged, modified or altered except in writing by all the parties.

SECTION 17. NOTICES.

When any notice or consent is required or permitted to be given under the terms of this Agreement or under applicable law, such notice or consent shall be in writing and shall be effective only upon the earlier of (i) actual receipt by the party to whom notice is given or (ii) forty-eight (48) hours after deposit in registered or certified United States Mail. Such notice shall be given by personal delivery or sent by certified mail, return receipt requested, and addressed as follows:

To Developer:	To City:
Name:	Department of Community Development
Title:	Director
Address:	101 City Hall Plaza
City:	Durham, NC 27701
Tel:	Tel: 919-560-4570
Fax:	Fax: 919-560-4090

SECTION 18. NO PARTNERSHIP.

Nothing in this Agreement is intended or shall be considered to create a joint venture or partnership between the City and the Developer or constitute either the agent of the other or to make the City in any way responsible for the duties, responsibilities, obligations, liabilities, debts or losses of the Developer.

SECTION 19. CONDITIONS TO EFFECTIVENESS.

This Agreement shall be effective upon the execution of this Agreement by all parties hereto.

SECTION 20. SUCCESSORS AND ASSIGNS.

This Agreement shall apply to, inure to the benefit of, and be binding upon the parties hereto and upon their respective heirs, legal representatives, successors and assigns, except as otherwise provided herein.

SECTION 21. GOVERNING LAW.

This Agreement shall be deemed to be a contract made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State and any litigation relating to this Agreement shall be brought in a court in the State, with venue in Durham County.

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SECTION 22. SEVERABILITY.

Invalidation of any one or more of the provisions of this Agreement shall in no way affect any of the other provisions thereof, which shall remain in full force and effect.

IN TESTIMONY WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

CITY OF DURHAM

By _____
City Manager

ATTEST:

City Clerk

NAME

By _____
Title

ATTEST:

Secretary

(Affix corporate seal here)

**NORTH CAROLINA
DURHAM COUNTY**

I, a Notary Public in and for the aforesaid County and State certify that _____ personally appeared this day, and acknowledged that he or she is the _____ City Clerk of the City of Durham, a municipal corporation, and that by authority duly given and as the act of the City, the foregoing contract or agreement was signed in its corporate name by its City Manager, sealed with its corporate seal, and arrested by its said City Clerk or Deputy City Clerk. This the _____ day of _____, 2010.

Notary Public

My Commission Expires

**NORTH CAROLINA
DURHAM COUNTY**

I, a Notary Public in and for the aforesaid County and State, certify that _____ personally appeared before me this day and stated that he or she is _____ Secretary of _____, a nonprofit corporation, and that by authority duly given and as the act of the corporation, the foregoing contract or agreement with the City of Durham was signed in its name by its _____, whose name is _____, sealed with its corporate seal, and attested by him/herself as its said Secretary or Assistant Secretary. This the _____ day of _____, 2010.

Notary Public

My Commission Expires

ATTACHMENT A

Scope of Work

Under this Agreement, the Property will be provided to Developer for the purpose of creating a new energy efficient home, either through new construction or rehabilitation of an existing structure, that will incorporate the Minimum Design Standards specified in Attachment C.

All new homes constructed on the Property must meet System Vision specifications, . The developer will provide a copy of the Comfort and Energy Use Two Year Guarantee along with the Energy Star Certificate to the Director of the Department of Community Development. All “gut” rehabilitations must be reconstructed to Energy Star rating and certified.

Developer will refer all potential buyer applicants to the Department of Community Development for determination of eligibility, and homeownership counseling. Families will have income verified at the time of application and only individuals or families at or below 120% of the Area Median Family Income for that family size are Eligible Buyers. Families will be required to participate and successfully complete either the City’s First Time Home Buyer’s Program or the Durham Affordable Housing Coalition’s Home Buyer’s Program. With written approval of the DCD, other HUD-certified housing counseling may also fulfill this requirement, with such determination being in the discretion of the DCD.

ATTACHMENT B

NORTH CAROLINA DURHAM COUNTY

DECLARATION OF RESTRICTIVE COVENANTS

This Declaration of Restrictive Covenants (hereinafter "Declaration") is made this ____ day of _____, 20____, by _____, a non-profit corporation organized and existing under the laws of North Carolina.

Definitions

"Agreement" means a certain Development Agreement between the City and the Declarant, dated _____. An executed original of the Agreement is on file in the office of the City Clerk and available for public review.

"City" means the City of Durham, a North Carolina municipal corporation.

"Declarant" means _____, its successors, successors in title and assigns, and any and all persons and entities having any right, title or interest in the Property.

"Dwelling Unit" shall be defined as provided in the Agreement.

"Period of Affordability" means the period beginning on the date that is the later of: a) the date of this Declaration, or the completion of the Dwelling Unit, as evidenced by issuance of a certificate of occupancy for such Dwelling Unit and ending on the date that is _____ (____) years from the date of commencement of the Period of Affordability.

"Property" means all and any part of the real property located at _____, as referenced in Attachment A of the Agreement and made a part of this Declaration.

Recitals

The Agreement provides, among other things, for the City to provide one or more grant(s) to the Acquisition Agent to acquire eligible properties under the Neighborhood Stabilization Program (NSP-1) and to deed these properties to the Developer. A source of funding is a grant to the City from the United States Department of Housing and Urban Development (hereinafter "HUD") under the Neighborhood Stabilization Program (hereinafter the "NSP-1"). The NSP-1 Program allows action such as recordation of Restrictive Covenants applicable to the Property to preserve the long-term affordability of Dwelling Units to persons of limited income, as provided in the Agreement.

The Declarant expressly acknowledges and recognizes the City's reliance upon this commitment by the Declarant in the City's decision to enter into the Agreement and loan funds to the Declarant. The purpose of this Declaration is to set forth certain covenants, restrictions and requirements pertaining to the Property and to give to the City and HUD, and their successors and assigns, the right to enforce this Declaration.

Covenants, Restrictions and Requirements

From and after the date of this Declaration, the Property shall be held, sold, transferred and conveyed subject to the covenants, restrictions and requirements hereinafter set forth:

1. During the Period of Affordability, each Dwelling Unit shall be: (1) purchased by and occupied as the principal residence of an income-eligible person or family as prescribed by and in compliance with 24 C.F.R. Section 92.254, as the same may be amended or replaced from time to time; and (2) purchased at a price which does not exceed a maximum sales price set by the City from time to time to assure that the Dwelling Unit is affordable to such income-eligible person or family. The Period of Affordability and the provisions of this Declaration shall be suspended upon foreclosure by a lender or other transfer in lieu of foreclosure, if such foreclosure or transfer recognizes any contractual or legal rights of the City or other eligible persons to take actions that would avoid the termination of low-income affordability. If, however, at any time thereafter during the Period of Affordability (1) the owner of record prior to such foreclosure or transfer in lieu of foreclosure, or (2) any entity that includes such former owner or those with whom the former owner had or has family or business ties, obtains an ownership interest in the Property, then the Period of Affordability and the provisions of this Declaration shall be revived according to their original terms.

2. This Declaration is made for the benefit of the City and HUD, and confers upon the City, HUD, and their respective successors and assigns the right, without limitation, to enforce the provisions of this Declaration.

3. This Declaration may not be amended in any manner whatsoever without the prior written consent of the City and HUD. It shall be within the sole

discretion of the City and HUD whether to give such consent. The Declarant shall record any such amendment with the Durham County Register of Deeds, and provide contemporaneous written notice to the City.

4. The covenants, restrictions and requirements of this Declaration shall run with the Property and, except to the limited extent provided in Paragraph 1 of this Declaration, continue in full force and effect until expiration of the Period of Affordability. Except to the limited extent provided in Paragraph 1 of this Declaration, the covenants, restrictions and requirements shall pass to and be binding upon the Declarant's assigns, successors and successors in title to all and any portion of the Property. Except to the limited extent provided in Paragraph 1 of this Declaration, each and every contract, deed or other instrument hereafter executed covering or conveying all or any portion of the Property shall conclusively be held to have been executed, delivered and accepted subject to such covenants, restrictions and requirements regardless of whether the same are set forth in such contract, deed or other instrument. If a portion or portions of the Property are conveyed, all of such covenants, restrictions and requirements shall run to each portion of the Property.

5. Upon expiration of the Period of Affordability, this Declaration shall automatically terminate and be of no further force or effect. The Declarant may record with the Durham County Register of Deeds a written instrument approved by the City further evidencing the termination of this Declaration. The City shall be entitled to thirty (30) days' written notice prior to the recording of any such instrument.

6. If a violation of any of the provisions of this Declaration occurs or is attempted, the City, HUD and their successors and assigns may institute and prosecute any proceeding at law or in equity to: abate, prevent or enjoin any such violation or attempted violation; compel specific performance of this Declaration; and recover monetary damages caused by the violation or attempted violation. Any such violation or attempted violation shall also be an event of default under the Agreement and shall entitle the City and its successors and assigns, among other remedies, to accelerate and declare due and payable in full the outstanding balance of any loans made by the City pursuant to the Agreement.

7. Any failure by the City or HUD to insist upon a strict performance of any covenants, restriction or requirement of this Declaration, or to exercise any option, right or remedy contained or created in this Declaration, shall not be construed as a waiver or relinquishment for the future of such covenant, restriction or requirement; rather, the same shall continue and remain in full force and effect.

8. If a court of competent jurisdiction determines that any of the provisions of this Declaration are void or unenforceable, the remainder of the provisions of this Declaration shall continue in full force and effect.

9. This Declaration shall be duly recorded in of the office of the Register of Deeds for Durham County immediately following its execution.

IN WITNESS WHEREOF, _____ has executed this instrument under seal on the date and year first above written.

Name

Executive Director

ATTEST:

_____(SEAL)
Secretary

STATE OF NORTH CAROLINA

COUNTY OF DURHAM

I, _____, a notary public for the aforesaid county and state, certify that _____ personally appeared before me this day, and acknowledged that he or she is _____ Secretary of Durham County Habitat for Humanity, a non-profit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Executive Director, whose name is Miguel Rubiera, sealed with its corporate seal, and attested by him/herself as its said Secretary or Assistant Secretary. This the ____ day of _____, 20__

My commission expires:

Notary Public

ATTACHMENT C

Minimum Design Standards

All new construction using resources administered by the City of Durham's Department of Community Development must comply with the minimum standards listed below:

Plans and specs for new construction, and plans and work write-up for all rehabilitations must be approved by the Department of Community Development.

Units should incorporate the following universal design principles:

- a. Finished opening of interior doors should be no less than 32 inches clear in width to facilitate wheelchair access.
- b. Finished opening of exterior doors should be no less than 34 inches.
- c. Hallways must be a minimum 36 inches in clear width to allow clearance of persons using wheelchairs.
- d. Wall switches should be no more than 48 inches above floor level.
- e. Electrical outlets should be located no less than 18 inches above floor level.
- f. Plywood should be installed on interior walls behind bathtubs to facilitate future installation of grab bars.
- g. Faucets should have lever type handles.

Units should incorporate the following minimum construction standards:

- a. Install ¼" rebar in foundation footings to increase the structural support of the building.
- b. Foundation shall be of crawlspace construction with a minimum of 18 inches clearance in the crawlspace with brick veneer exterior. Construction of elevated slabs will also be accepted with brick veneer exteriors. Moisture levels in crawlspaces, at basements, and under slabs shall be minimized through foundation waterproofing, the effective placement of subsurface drainage systems, gutters and downspouts, and grading to direct drainage away from the foundation.
- c. Exterior materials should be selected so as to minimize deterioration and maintenance costs. (e.g. brick veneer, hardi-plank and / or high quality vinyl siding and trim).
- d. Minimum roof pitch to be 4/12 and roof shingle to have a minimum 25 year warranty.
- e. Front and rear porches and patios must comprise a minimum of forty

square feet of surface to allow for outdoor seating and maneuverability, and covered entries are to be provided. Do not use earth filled porches unless the earth is at least eight inches below untreated wood.

- f. All units should be pre-wired for telephone, cable, security (to include outside motion detector) and internet access.
- g. All units with any combustion appliances (HVAC, water heater, space heater, fireplace, etc.) or attached garages should be equipped with at least one a.c.-powered with battery backup carbon monoxide detector.
- h. Materials should be selected to minimize levels of volatile organic chemicals in interior living space. The use of no VOC paints is encouraged.

Interior Value Features

- a. The interior design should allow for good traffic flow from room to room.
- b. Hallways should be kept to a minimum.
- c. The smallest bedroom should be at least 10' x 10'.
- d. There should be sufficient space for dining room and chairs.
- e. Bathrooms and bedrooms should be located in close proximity.
- f. Inside closet space should be maximized.
- g. Space should be provided with all necessary hookups for clothes washers and dryers.
- h. Dryer vents should include a backdraft damper and be extended with metal duct to the exterior of the building.
- i. A minimum of twelve linear feet of solid wood base cabinets and twelve linear feet of solid wood wall cabinets should be installed in kitchens.
- j. All water supply lines in unheated spaces should be insulated with ½" (minimum) preformed foam insulation or equivalent insulation material labeled for use on pipes.

Exterior Value Features

- a. Adequate storage space with outside access should be provided for grounds care and maintenance tools and equipment.
- b. Utilities should be underground.
- c. Paved, off-street parking adequate for two vehicles should be provided.
- d. In developments, exterior design should be varied, unit by unit to provide for a varied landscape and no two adjacent houses shall have the same exterior façade elevation, profile or paint colors.
- e. For in-fill housing units, the exterior design features should reflect the vernacular design of the existing housing and the existing parking

patterns as closely as possible. For example, the roof pitch, window proportions and exterior materials should reflect the patterns used by the existing housing.

ATTACHMENT D
CERTIFICATIONS AND COMPLIANCE REQUIREMENTS

In addition to the specific requirements of this Contract, the Subrecipient is responsible for complying with all terms and conditions set for in the documents listed below that have been checked by the DCD Project Manager. Electronic versions of these documents will be provided for you upon request, or you may retrieve them from the Internet.

1. ☒ 24 CFR Part 84 Uniform Administrative Requirements for Grants and Cooperative Agreements to Hospitals, Institutes of Higher Education and Non-profit Organizations, which sets forth rules for administering grant funds.
2. ☐ Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-7), and as supplemented by Department of Labor regulations (29 CFR, Part 5), which requires fair wages be paid to construction workers on any project that funded in whole or in part with federal dollars.
3. ☐ Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by the Department of Labor regulations (29CFR, Part 5), which requires affirmative nondiscrimination against workers and applicants for work on construction projects funded in whole or in part with federal dollars.
4. ☒ Title VI of the Civil Rights Act of 1964 (PL88-352) and regulations issued pursuant thereto (24 CFR Part 1) on nondiscrimination in Federally assisted programs.
5. ☒ Section 109 of the Housing and Community Development Act of 1974 and regulations issued pursuant thereto (24 CFR Part 570.602 et seq., known as subpart K), which requires that no person in the United States shall on the grounds of age, race, color, national origin, religion, disability or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance
6. ☐ Executive Order 11246 and the regulations issued pursuant thereto (41 CFR Chapter 60) on nondiscrimination in employment.
7. ☒ Copeland "Anti-Kick Back" Act (18 U.S.C. 874), which protects workers wages on projects funded in whole or in part by federal funds.
8. ☒ Section 3 of the Housing and Urban Development Act of 1968, as amended and implementing regulations at 24 CFR Part 135 for training and employment of lower-income residents of projected areas and awarding of contracts.
9. ☒ Lead Based Paint Poisoning Prohibition (PL91-695), which requires that hazards posed by the presence of lead be addressed and made safe.
10. ☐ North Carolina General Statute 143-128 et seq. which proscribes procedures for bidding and structuring contracts on publicly funded construction projects.
11. ☒ Hatch Act (5 U.S.C. 1501-1508) prohibiting federal, state and local government employees from benefiting from federal grants.

12. ____ Building design, construction or alteration must comply with "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped" (#A-117.1-R 1971).
13. ☒ Executive Order 11296 relating to evaluation of flood hazard in areas where construction or rehabilitation will be funded in whole or in part by federal funds.
14. ☒ Title VIII of the Civil Rights Act of 1968 (PL 90-284), as amended Fair Housing Policy, which requires that no person shall be prohibited from purchasing or renting a home based on age, race, color, national origin, religion, disability or sex.
15. ☒ Executive Order 11063 on equal opportunity in housing and non-discrimination.
16. ☒ Section 306 of the Clean Air Act (42 U.S.C. 1857(h)) sets forth monitoring and reporting procedures for any program that affects air quality.
17. ☒ Environmental Protection Agency regulations (40 CFR, Part 15), which sets requirements for protecting the environment on federally funded projects.
18. ☒ Age Discrimination Act of 1967, as amended.
19. ☒ The Rehabilitation Act of 1973, as amended, Sections 503 and 504, which prohibits discrimination against the handicapped.
20. ☒ City of Durham's Disadvantaged Business Enterprise Plan, which requires that opportunities for contracts to provide goods and services be made available to small and disadvantaged businesses in Durham.
21. ☒ OMB Circular A-122 "Cost Principles for Non-Profit Organizations" which sets forth parameters for expenditures made with federal grant money.
22. ____ Treasury Circular 1075 relating to the use of Community Development funds within 72 hours after drawdown, which requires that the Grantee manage the grant funds on a specific timetable.
23. ☒ Community Development Administrative Regulations 24 CFR 570, which describes all requirements and prohibitions for the administration of a program funded in whole or in part with federal Community Development Block Grant funds.
24. ☒ N. C. Fair Housing Law, which prohibits discrimination against any person for reasons of age, race, color, national origin, religion, disability or sex in all transactions relating to buying, selling, or renting housing.
25. ☒ City of Durham Fair Housing Ordinance, which prohibits discrimination against any person for reasons of age, race, color, national origin, religion, disability or sex in all transactions relating to buying, selling, or renting housing in Durham.
26. ☒ OMB Circular A-133 "Audits of States, Local Governments and Nonprofit Organizations", which sets forth requirements and methodologies for auditing programs funded in whole or in part with federal grant money.